71

(3)

No. 07-283

IN THE

# Supreme Court of the United States

THOMAS A. MILLER, DARREL C. PINKSTON, and MILLER VENEERS, INC.,

*Petitioners,*

*v.*

ROBERT D. BRAND, CAPITAL MACHINE CO., INC., and INDIANA FORGE, LLC,

*Respondents.*

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

## BRIEF IN OPPOSITION

RAYMOND W. GREEN
BRINKS HOFER GILSON & LIONE
NBC Tower – Suite 3600
455 N. Cityfront Plaza Drive
Chicago, IL 60611
(312) 321-4200

*Counsel for Respondents*

211768

COUNSEL PRESS
(800) 274 3321 • (800) 359-6859

## QUESTIONS PRESENTED

1. The Administrative Procedure Act, at 5 U.S.C. § 706(2)(E), requires a reviewing court to hold unlawful and set aside agency action, findings and conclusions found to be unsupported by substantial evidence in a case subject to 5 U.S.C. §§ 556 and 557, "or otherwise reviewed on the record of an agency hearing provided by statute". 35 U.S.C. § 6(b) requires that interference proceedings shall be "heard by at least three members of the Board" of Patent Appeals and Interferences. 35 U.S.C. § 144 requires the Federal Circuit to review Patent and Trademark Office decisions from which appeal is taken, "on the record before the Patent and Trademark Office."

Is Federal Circuit review under 35 U.S.C. § 144 of an interference hearing held pursuant to 35 U.S.C. § 6(b) "on the record of an agency hearing provided by statute" which makes an interference proceeding a case subject to 5 U.S.C. § 706(2)(E)?

2. Does *KSR v. Teleflex*, 127 S. Ct. 1727 (2007), prohibit the Federal Circuit from concluding that in an *inter partes* matter before the Board of Patent Appeals and Interferences, findings of fact by the Board must be supported by substantial evidence in the record?

## RULE 29.6 STATEMENT

Respondent Robert D. Brand is an individual. Respondent Capital Machine Co., Inc., is a corporation, and has no parent corporation. Respondent Indiana Forge, LLC, is a limited liability company, and has no parent corporation. There is no publicly held company that has a 10% or greater ownership in either corporate respondent.

## TABLE OF CONTENTS


| | Page |
|---|---|
| QUESTIONS PRESENTED | i |
| RULE 29.6 STATEMENT | ii |
| TABLE OF CONTENTS | iii |
| TABLE OF CITED AUTHORITIES | vi |
| OPINIONS BELOW | 1 |
| STATUTORY PROVISIONS INVOLVED | 1 |
| INTRODUCTION | 2 |
| STATEMENT OF THE CASE | 3 |
| REASONS FOR DENYING THE PETITION | 11 |
| I. THE FEDERAL CIRCUIT FULLY CONSIDERED AND CORRECTLY DECIDED WHETHER FINDINGS OF FACT BY THE BOARD OF PATENT APPEALS AND INTERFERENCES IN *INTER PARTES* CASES MUST BE SUPPORTED BY SUBSTANTIAL EVIDENCE ON THE RECORD. | 11 |
| A. Miller and Brand both Urged the Federal Circuit to Use the "Substantial Evidence" Standard. | 12 |

*Contents*

*Page*

B. The Federal Circuit, in the Decision in this Case, Fully Considered and Correctly Decided the Standard to be Applied. ..... 13

C. The Situations that Miller Implies are "Similar", so as to Purportedly Create a Split between Circuits, are not in fact "Similar". ..... 16

D. The Rule Advocated by Miller would Create Chaos in Actions Under 35 U.S.C. §§ 145 and 146. ..... 18

II. THE FEDERAL CIRCUIT DID NOT VIOLATE *KSR*. ..... 19

A. The Petitioners Did Not Mention *KSR* to the Federal Circuit in their Original Brief to the Federal Circuit, in a 28(j) Letter, or in their Petition For Rehearing. ..... 19

B. "Whether an Invention is Derived from a Communication" is Distinct from "Whether an Invention is Obvious". ..... 20

*Contents*

*Page*

C. The Rule Advocated by Miller would Create Chaos in Board Proceedings. ..... 26

CONCLUSION ..... 27

APPENDIX — OPINION OF THE UNITED STATES PATENT AND TRADEMARK OFFICE DATED JULY 11, 2007 ..... 1a

## TABLE OF CITED AUTHORITIES

*Page*

**CASES**

*Abbott Laboratories v. Gardner*, 387 U.S. 136 (1967) ..... 17

*American Paper Inst., Inc. v. American Elec. Power Serv. Corp.*, 461 U.S. 402 (1983) ..... 16

*Ass'n of Data Processing Serv. Orgs., Inc. v. Bd. of Governors of Fed. Reserve Sys.*, 745 F.2d 677 (D.C. Cir. 1984) ..... 2, 16

*Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007) .. *passim*

*CAE, Inc. v. Clean Air Engineering, Inc.*, 267 F.3d 660 (7th Cir. 2001) ..... 17

*Ex parte Catan*, 83 USPQ2d 1569 (Bd. Pat. App. & Int. 2007) ..... 24

*Dickinson v. Zurco*, 527 U.S. 150 (1999) ..... 12, 13

*English v. Ausnit*, 38 USPQ2d 1625 (Bd. Pat. App. & Int. 1993) ..... 6

*In re Gartside*, 203 F.3d 1305 (Fed. Cir. 2000) .. *passim*

*In re ICON Health and Fitness Inc.*, __ F.3d __, 83 USPQ2d 1746 (Fed. Cir. 2007) ..... 24

*Cited Authorities*

*Page*

*Heisig v. United States*, 719 F.2d 1153 (Fed. Cir. 1983) ..... 18

*KSR Int'l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) ..... *passim*

*Ex parte Kubin*, 83 USPQ2d 1410 (Bd. Pat. App. & Int. 2007) ..... 24

*Leapfrog Enterprises Inc. v. Fisher-Price Inc.*, 485 F.3d 1157 (Fed. Cir. 2007) ..... 23

*In re Metoprolol Succinate Patent Litigation*, 494 F.3d 1011 (Fed. Cir. 2007) ..... 24

*PharmaStem Therapeutics Inc. v. ViaCell Inc.*, 491 F.3d 1342 (Fed. Cir. 2007) ..... 24

*Price v. Symsek*, 988 F.2d 1187 (Fed. Cir. 1993) ..... 6

*Ex parte Smith*, 83 USPQ2d 1509 (Bd. Pat. App. & Int. 2007) ..... 24

*Takeda Chemical Industries Ltd. v. Alphapharm Pty. Ltd.*, 492 F.3d 1350 (Fed. Cir. 2007) ..... 24

*In re Trans Texas Holdings Corp.*, __ F.3d __, 83 USPQ2d 1835 (Fed. Cir. 2007) ..... 24

*Cited Authorities*

*Page*

**STATUTES**

5 U.S.C. § 556 ..... i, 5, 11, 13

5 U.S.C. § 557 ..... i, 5, 11, 13

5 U.S.C. § 706 ..... 5, 13

5 U.S.C. § 706(2)(E) ..... *passim*

35 U.S.C. § 6(a) ..... 15

35 U.S.C. § 6(b) ..... *passim*

35 U.S.C. § 7(b) (1994) ..... 15

35 U.S.C. § 102(g) ..... 2, 3, 20, 21, 27

35 U.S.C. § 103 ..... 2, 20, 27

35 U.S.C. § 135 ..... *passim*

35 U.S.C. § 144 ..... *passim*

35 U.S.C. § 145 ..... 18

35 U.S.C. § 146 ..... 18

*Cited Authorities*

*Page*

**RULES**

37 C.F.R. §§ 41.1-41.158 ..... 4

37 C.F.R. §§ 41.100-41.208 ..... 4

37 C.F.R. § 41.152(a) ..... 4

37 C.F.R. § 41.207(a)(1) ..... 6

FED. CIR. R. 28(a)(10) ..... 12

FED. CIR. R. 28(b) ..... 12

FED. R. APP. P. 28(a)(9)(B) ..... 12

FED. R. APP. P. 28(b)(5) ..... 12

FED. R. APP. P. 28(j) ..... 19, 21

FED. R. CIV. P. 52(a) ..... 18

Standing Order adopted by the Trial Division of the United States Patent and Trademark Office Board of Patent Appeals and Interferences (3 January 2006) ..... 4

*Page*

**OTHER AUTHORITIES**

110th Congress, 1st Session, House of Representatives Report 110-314, "Patent Reform Act of 2007", page 23 (September 4, 2007) ..... 5

Appellees' Petition for Panel Rehearing, *Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007) (No. 2006-1419), 2007 WL 1787069 ..... 10, 13, 19

Corrected Brief of Appellees Thomas A. Miller, Darrel C. Pinkston, and Miller Veneers, Inc., *Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007) (No. 2006-1419), 2006 WL 3420460 ..... 10, 12, 19

Department of Commerce, Patent and Trademark Office, "Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*", 72 F.R. 57526 (October 10, 2007) ..... 24, 26

"Patent Reform Act of 2007", H.R. 1908, 110th Cong. (as passed by the House of Representatives, September 7, 2007) ..... 5

## OPINIONS BELOW

In addition to the opinions included in the petition, the July 11, 2007, judgment of the Board on remand was not reported. It is included as an appendix to this Opposition, Opp. App. at 1a-3a.

## STATUTORY PROVISIONS INVOLVED

In addition to the statutory provisions included in the petition, the following statutes are relevant:

35 U.S.C. § 6(b)

> (b) *Duties.* – The Board of Patent Appeals and Interferences shall, on written appeal of an applicant, review adverse decisions of examiners upon applications for patents and shall determine priority and patentability of invention in interferences declared under section 135(a). Each appeal and interference shall be heard by at least three members of the Board, who shall be designated by the Director. Only the Board of Patent Appeals and Interferences may grant rehearings.

35 U.S.C. § 144

> Decision on appeal
>
> The United States Court of Appeals for the Federal Circuit shall review the decision from which an appeal is taken on the record before the Patent and Trademark Office. Upon its determination the court shall issue to the Director its mandate and opinion, which shall be entered of record in the Patent and Trademark Office and shall govern the further proceedings in the case.

## INTRODUCTION

Miller presented neither of the issues urged in his petition, to the Federal Circuit.

The purported circuit split between circuits following *Ass'n of Data Processing Serv. Orgs., Inc. v. Bd. of Governors of Fed. Reserve Sys.*, 745 F.2d 677 (D.C. Cir. 1984) (Scalia, J.) and the Federal Circuit following *In re Gartside*, 203 F.3d 1305 (Fed. Cir. 2000) is spurious, since both *Gartside* and the opinion here (*Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007), App. 1-17) follow *Data Processing* and quote it (*Gartside*, 203 F.3d at 1312-12, 1315; *Brand v. Miller*, 487 F.3d at 868, App. 10) for their essential holding. No other circuit has suggested that it disagrees with *Gartside*. *Gartside* and the Federal Circuit opinion here stress that their view of the standard of review rests chiefly on 35 U.S.C. § 144 (*Gartside*, 203 F.3d at 1313, also relying on what is now 35 U.S.C. § 6(b); *Brand v. Miller*, 487 F.3d at 868, App. 10). 35 U.S.C. § 144 only applies to Federal Circuit review of PTO decisions, and the petition barely acknowledges it at page 9. The petition never mentions the critical language in § 6(b).

*KSR Int'l Co. v. Teleflex, Inc.*, 127 S. Ct. 1727 (2007) was about how an obviousness determination should be made. This case is not about obviousness determinations (35 U.S.C. § 103), but about priority of invention (35 U.S.C. §§ 102(g) and 135) and derivation from particular communications, so it makes perfect sense that Federal Circuit would not cite *KSR*. The issue decided by the Board and reviewed by the Federal Circuit was not whether the particular invention was obvious, but whether it was communicated by Miller. The petition does not focus attention on the details of that communication, but the Federal Circuit opinion (487 F.3d at 870-71, App. 13-16)

explains compellingly why the sketches at issue did not communicate what the Board said they did.

Miller frames the issues quite broadly, but this case is really just about interference practice before the Board of Patent Appeals and Interferences ("Board") of the United States Patent and Trademark Office ("PTO"). Interference proceedings are too rare and too likely to be abolished by statute for this Court to use its limited time and other resources to fine-tune interference practice.

## STATEMENT OF THE CASE

This case was an appeal from the decision of a panel of three Administrative Patent Judges ("APJs") of the Board of the PTO in an "interference" proceeding.

The PTO currently receives in excess of 300,000 patent applications per year. Patent examiners who examine these applications for patentability sometimes find that an applicant has claimed substantially the same otherwise patentable invention as another application or an issued patent. In such a case, only the first invention to be made is validly patentable. 35 U.S.C. § 102(g). An interference proceeding may be declared by the Board between an application and either another application or a patent, to determine priority of invention, thereby to assist the PTO to determine whether an involved application should issue as a patent, or be rejected under 35 U.S.C. § 102(g). Some interferences are settled by concession of priority, some are decided by determining that the interfering subject matter is unpatentable, and some, such as the one here, are decided by comparing the parties' dates of inventive

activities, and awarding priority to the one deemed first to invent.[1]

Interference proceedings are governed by 35 U.S.C. §§ 6(b) and 135, 37 C.F.R. §§ 41.1-41.158 (contested cases, including interferences) and 41.100-41.208 (rules specific to interferences), the Federal Rules of Evidence (*see* 37 C.F.R. 41.152(a)), and a Standing Order adopted and periodically revised by the Trial Division of the Board (the chief APJ of the Board and a group of about 18 APJs who primarily decide interferences). The current version of the Standing Order, dated 3 January 2006, runs 82 pages.[2] Parties may present motions related to patentability or other matters, which may be supported by evidence such as affidavits, patents, publications and other historical documents. Parties may present oppositions to motions and replies to oppositions, which may again be supported by evidence. If an affidavit is presented, the affiant is subject

---

[1] At page 3, note 1, of the Petition, Miller misleadingly says that "Most interferences are decided on the basis of the same kind of patentability issues that decide many if not most patent infringement actions." The *Miller v. Brand* Interference was not "decided on the basis of the same kind of patentability issues" (presumably anticipation and obviousness in view of the prior art) that allegedly decide many patent infringement actions. Rather, the *Miller v. Brand* Interference was decided on the basis of *priority*, and specifically whether the documents provided by Miller were enabling of the invention of the Interference, so as to support a conclusion of derivation. Priority issues are infrequently involved in patent infringement actions.

[2] The Standing Order dated 3 January 2006 may be accessed on the PTO web site, *http://uspto.gov*, by way of the pages for the Board and the Interference Web Portal, in the public file of recent interferences, *e.g.*, Interference 105,555, *Zook v. Zook v. Zook*, declared July 10, 2007.

to cross-examination. If there are motions, and either party requests it, an oral hearing is held before a panel of at least 3 APJs, which renders a written reasoned opinion and decision on the motions. If there are no motions, or if the decision on motions does not dispose of the interference, there is a priority phase of the interference, during which the parties present evidence and briefs to establish dates of invention. In an appropriate case, testimony of a witness may be presented "live", before one or more APJs. If either party requests it, an oral hearing on priority is held before a panel of at least 3 APJs, which renders a written reasoned opinion, decision on priority, and judgment.

Interference proceedings are always *inter partes* events, that are "informal" only in the sense that they are not governed by 5 U.S.C. §§ 556 and 557. They are, however, governed by 5 U.S.C. § 706.

The days of interference proceedings may be numbered. The "Patent Reform Act of 2007", H.R. 1908, 110th Cong. (as passed by the House of Representatives, September 7, 2007), would amend 35 U.S.C. § 135 to do away with interferences, retaining only more limited "derivation proceedings."

Even if they are not abolished, however, interference proceedings are very rare. Statistics show that fewer than 1 in 1000 patent applications are ever subject to an interference proceeding.[3] Currently fewer than 100 interference proceedings are initiated each year.

---

[3] 110th Congress, 1st Session, House of Representatives Report 110-314, "Patent Reform Act of 2007", page 23 (September 4, 2007).

In this case, Brand filed a patent application on May 31, 1995,[4] which described the invention of the interference, and which issued as U.S. Patent 5,562,137. Miller filed a patent application having an effective filing date of March 8, 1996, which described and claimed the invention of the interference, and issued as U.S. Patent 5,865,232. A Brand patent application having a May 31, 1995, effective filing date was placed in an interference proceeding with the Miller '232 Patent, styled "Miller v. Brand", to determine whether Brand or Miller was the first inventor of a claim in Miller's '232 Patent. Miller was named "junior party" by virtue of his later effective filing date, and Miller had the burden of proving prior invention. 37 C.F.R. § 41.207(a)(1).

A party to an interference can establish priority of invention by proving derivation of the invention by the opponent from the first party; but to establish derivation, it is necessary to show that the subject matter communicated was sufficient to enable one of ordinary skill in the art to construct and successfully operate the invention, and the party alleging derivation must provide independent corroboration for his conception and subsequent communication. *Price v. Symsek*, 988 F.2d 1187, 1194-95 (Fed. Cir. 1993); *English v. Ausnit*, 38 USPQ2d 1625, 1637-38 (Bd. Pat. App. & Interferences 1993).

---

[4] At page 5 of the Petition, Miller refers to Brand's "alleged May 31, 1995, conception date of the invention". May 31, 1995, was the date of Brand's parent patent application, and the date that the Board accorded to Brand as a date of invention. (App. 70) Brand alleged dates of invention in *October 1994*, and the Board agreed (App. 67) that Brand's drawings dated October 12, 1994 (BX 1001 and BX 1010, A91 and A93 in the record below) and October 14, 1994 (BX 1007, A94 in the record below) demonstrated conception of the invention.

Miller claimed that Brand derived the invention from Miller, and produced copies of two sketches he had shown to Brand or Brand's boss in 1994, and which he claimed (in 2004) would have enabled Brand to make the invention. One of the drawings (A89-A90 in the record below) was dated October 7, 1994, days before Brand's October 12-19, 1994, drawings illustrating the invention. Miller suggested the October 7 sketch *only for a purpose other than the invention*. The other Miller sketch (A97 in the record below) was undated, and Miller maintained (until after the Brand brief for final hearing was filed in February, 2005) that he had shown the undated sketch to Brand some time between October 25 and 28, 1994 (Miller Preliminary Statement filed July 23, 2004, A188-A189 in the record below). Miller never introduced evidence corroborating his alleged conception of the invention prior to Miller's March 8, 1996 patent application.

In March, 2005, Miller moved (A500-A511, A583-A594 in the record below) to amend his Preliminary Statement to say that Miller must have shown the undated sketch to Brand before October 12, 1994. If Miller did *not* show the undated sketch to Brand before Brand's first drawing, started on October 12, 1994, then it did not matter what Miller's undated sketch showed. If Miller *did* show the undated sketch to Brand before October 12, 1994, however, it would be relevant to consider whether the undated sketch was sufficient to enable one of ordinary skill in the art to construct and successfully operate the invention.

In March, 2005, in response to Miller's motion, Brand filed the declaration of Capital Machine Plant Superintendent Deckard (A541-A543 in the record below), providing an expert opinion that the undated sketch would not be enabling. Brand also filed a declaration of Capital

Machine President Koss, to the same effect (A544-A547 in the record below). Miller provided no contrary evidence, but denied that what the Miller sketches would mean to a person of ordinary skill would ever be relevant (A638 in the record below). Thus, all relevant evidence of record indicated that the sketches in question (MX 2001 and MX 2002, A89-A90 and A97 in the record below) would not have enabled practice of the invention.

The Board ignored the *Price-English* requirement that Miller show corroboration for his conception, and held on August 25, 2005, that the information that Miller communicated, including the Miller sketches, was sufficient to enable one skilled in the art to practice the invention of the interference. The Board awarded priority to Miller (App. 96), in spite of the facts that (1) Miller did not even allege that the device in the October 7, 1994, Miller sketch had ever been tested or even built (487 F.3d at 870, App. 15-16 ("[T]he path that the Board determined that a skilled artisan would follow has, so far as the record reflects, never been followed."; *see also* 487 F.3d at 871, note 7, App. 16-17)), (2) Brand testified that he did not think the Miller system would work well (A199 in the record below), (3) Deckard testified that the undated sketch would not be enabling to a person of ordinary skill in the art (A542-A543 in the record below), and (4) there was no evidence offered by Miller to contradict Deckard's expert opinion.

The Federal Circuit unanimously held, on May 14, 2007, that (1) findings of fact by the Board must in all cases be supported by substantial evidence, confirming its holding in *Gartside*, 203 F.3d at 1313 (487 F.3d at 868, App. 10); (2)

(at least) in the context of a contested case,[5] it is impermissible for the Board to base its factual findings on its expertise, rather than on evidence of record (487 F.3d at 869, App. 12)[6]; and (3) on the issue of communication, the Board in this case improperly substituted its own opinion for evidence of the knowledge of one of ordinary

---

[5] Apparently wishing to avoid unnecessary *dicta* when the *ex parte* implications had not been briefed or argued, the Federal Circuit explained "We do not – and need not – decide here the extent to which the Board in *ex parte* proceedings is so limited." 487 F.3d at 869, App. 12.

[6] At page 5, note 3, of the Petition, Miller says that the Federal Circuit's statement that "the Board substituted its own expertise for record evidence that Miller was obligated to provide" (App. 15) is factually incorrect. Miller's allegation of incorrectness is itself factually incorrect. Miller points to A194-202 in the record before the Board and the Federal Circuit (an affidavit of inventor Brand offered by Miller as Miller Exhibit 2007). Miller says that Brand's affidavit supported "the Board's conclusion that the two documents made the asserted claim of the Brand patent [application] obvious . . . ." First, the relevant question decided by the Board and reversed by the Federal Circuit was not obviousness, but rather communication sufficient to constitute enablement. However, Brand's affidavit did not discuss *either* (1) whether the two documents (sketches) made the Brand application claim obvious, *or* (2) whether the two documents would have enabled a person of ordinary skill in the art to make the Brand invention. The closest that Brand came to discussing enablement was saying that Miller's system would not work well, A199 in the record below. Instead of providing evidence of whether the two documents would have enabled the Brand invention, such as a declaration from one skilled in the art, Miller denied that what the two documents would have meant to a person of ordinary skill in the art would ever be relevant. (A638 in the record below.) Miller failed to find a person skilled in the art that would make a declaration favorable to Miller's position, and Party Brand's evidence was unrebutted.

skill in the art, which Miller was obligated to provide, but failed to provide (487 F.3d at 870, App. 13, 15). The Board's judgment was reversed and the Federal Circuit ordered that judgment be entered for Brand (487 F.3d at 871, App. 17).

On May 26, 2007, Miller requested panel rehearing by the Federal Circuit, but, as in his main brief and reply brief before the Federal Circuit, completely ignored the standard-of-review and *KSR* issues now urged.[7] The request was denied on June 8, 2007. App. 113-14.

In accordance with the Federal Circuit order of May 14, 2007, on July 11, 2007, the Board entered judgment for Brand. Opp. App. 1a-3a. On September 10, 2007, the Board "distributed" the interference, *i.e.*, remanded the Brand Application to the examiner for further action consistent with the judgment in favor of Brand.

The PTO has thus accepted the judgment of the Federal Circuit. In seeking *certiorari*, however, Miller ignores that acceptance; the relevant statutes, 35 U.S.C. §§ 6(b) and 144; and also the following facts:

> (1) *Gartside*, 203 F.3d at 1311-16, thoroughly discussed whether an interference proceeding is a case subject to 5 U.S.C. § 706(2)(E), in view of (a) the requirement now appearing at 35 U.S.C. § 6(b) that appeals to the Board and interferences are "heard" by the Board, and (b) the requirement in 35 U.S.C. § 144 that in appeals to the Federal Circuit, PTO decisions

[7] The Corrected Brief of Appellees Thomas A. Miller, Darrel C. Pinkston, and Miller Veneers, Inc., is available at 2006 WL 3420460. Appellees' Petition for Panel Rehearing is available at 2007 WL 1787069.

are reviewed "on the record before the Patent and Trademark Office".

(2) The interference between Miller and Brand did not involve "references" (*i.e.*, prior art publications), but rather two sketches communicated at different times and for different purposes from Miller to Brand or to Brand's boss, Mr. Koss; and the interference between Miller and Brand did not involve an obviousness determination, but rather a determination of whether the two sketches constituted an enabling disclosure of the invention of the interference.

## REASONS FOR DENYING THE PETITION

### I. THE FEDERAL CIRCUIT FULLY CONSIDERED AND CORRECTLY DECIDED WHETHER FINDINGS OF FACT BY THE BOARD OF PATENT APPEALS AND INTERFERENCES IN *INTER PARTES* CASES MUST BE SUPPORTED BY SUBSTANTIAL EVIDENCE ON THE RECORD.

Miller asks (petition, page i) whether, since interference proceedings before the Board of Patent Appeals and Interferences are "informal proceedings" (*i.e.*, not formal adjudications *governed by §§ 556 and 557 of the Administrative Procedure Act*),[8] the Federal Circuit erred

---

[8] At pages 9 and 10 of the Petition, Miller says that the Federal Circuit admits (or concedes) at App. 9 "that proceedings before the PTO are not 'formal adjudications.' " What the Federal Circuit said (487 F.3d at 868, App. 9) was that "Although PTO proceedings are not formal adjudications *governed by §§ 556 and 557 of the APA*, (Cont'd)

in reviewing the interference proceeding in this case under the "substantial evidence" standard rather than the "arbitrary and capricious" standard used by other circuits in what Miller argues are similar situations.

The answer is "No"; the other situations are not similar, and the Federal Circuit did not err.

### A. Miller and Brand both Urged the Federal Circuit to Use the "Substantial Evidence" Standard.

FED. R. APP. P. 28(a)(9)(B) and FED. CIR. R. 28(a)(10) require that the appellant address the proper standard of review in its brief, and allow the appellee to address the proper standard of review, as well, *see* FED. R. APP. P. 28(b)(5) and FED. CIR. R. 28(b). In this case, both Miller and Brand urged the Federal Circuit to use the "substantial evidence" standard. In Brand's main Brief to the Federal Circuit, Brand cited (at page 23) *In re Gartside*, 203 F.3d 1305, 1316 (Fed. Cir. 2000). In Miller's Brief to the Federal Circuit,[9] Miller said (at page 28) that factual findings of the Board must be affirmed if they are supported by substantial evidence, citing *Gartside*, 203 F.3d at 1315. Miller added, "Substantial evidence means there exists *in the record* such relevant evidence as a reasonable mind

---

(Cont'd)

the Supreme Court has held that our review of those proceedings is governed by another section of the APA, § 706. *Dickinson* [*v. Zurco*], 527 U.S. [150 (1999)] at 152 ...." (Emphasis supplied.)

[9] The Corrected Brief of Appellees Thomas A. Miller, Darrel C. Pinkston, and Miller Veneers, Inc. is available at 2006 WL 3420460.

might accept as adequate to support a conclusion", again citing *Gartside*, 203 F.3d at 1312 (emphasis added).[10]

Miller did not urge, prior to petitioning this Court, that the "arbitrary and capricious" standard be used.

### B. The Federal Circuit, in the Decision in this Case, Fully Considered and Correctly Decided the Standard to be Applied.

Not content with an effective stipulation by the parties, the Federal Circuit analyzed the question of the proper evidentiary standard to use, and reached the right result. The Federal Circuit, in deciding this case, first considered the application of 5 U.S.C. §§ 556 and 557 to interference proceedings, and confirmed the holding in *Gartside* that interference proceedings before the Board are *not* formal adjudications *governed by §§ 556 and 557 of the Administrative Procedure Act*; but noted that the Supreme Court has held in *Dickinson v. Zurco*, 527 U.S. 150, 152 (1999) that they *are* governed by 5 U.S.C. § 706. 487 F.3d 862 at 867 (Fed. Cir. 2007), App. 9. The Federal Circuit noted that although the Supreme Court in *Dickinson* did not decide the standard of review for PTO proceedings, the Federal Circuit had noted in *Gartside*, 203 F.3d at 1311, that the APA (5 U.S.C. § 706(2)(E)) requires a reviewing court to hold unlawful and set aside agency action, findings and conclusions found to be unsupported by substantial evidence in a case subject to 5 U.S.C. §§ 556 and 557,

---

[10] Even after losing in the initial decision by the Federal Circuit, 487 F.2d 862, App. 1-17, which agreed with both Brand and Miller that the "substantial evidence" standard is the proper standard for review (487 F.3d at 867-68, App. 9-10), Miller did not urge, in Appellees' Petition for Panel Rehearing, available at 2007 WL 1787069, that the Federal Circuit should have used an "arbitrary and capricious" standard of review.

"or otherwise reviewed on the record of an agency hearing provided by statute". 487 F.3d at 867-68, App. 9-10.

The Federal Circuit further recalled that it had noted in *Gartside*, 203 F.3d at 1313, that 35 U.S.C. § 144 calls for the Federal Circuit to review the decisions of the Board "on the record" before the PTO, and concluded that findings of fact must in all cases be supported by substantial evidence on the record. 487 F.3d at 868, App. 10.[11] This was not, however, a "rigid rule" forbidding the use of common sense, as Miller alleges, but rather it was the Federal Circuit determining what the APA required.[12] Furthermore, if a rule was created, it was created by Congress in enacting the APA, not the Federal Circuit.

---

[11] At page 9 of the Petition, Miller implies that that the language of 5 U.S.C. § 706(2)(E) ("... or otherwise reviewed on the record of an agency hearing provided by statute ...") does not apply to hearings held pursuant to 35 U.S.C. § 6(b) and reviewed pursuant to 35 U.S.C. § 144, and that the Federal Circuit's holding that 5 U.S.C. § 706(2)(E) applies to Board proceedings is wrong. Miller is wrong. The Federal Circuit's holding that 5 U.S.C. § 706(2)(E) applies to Board proceedings is in accordance with the holding in *Gartside*, 203 F.3d at 1313.

[12] At pages 10-11 of the Petition, Miller implies that the Federal Circuit decision in *Brand v. Miller* was motivated by a desire to give less deference to the PTO than required by the APA. On the contrary, the Federal Circuit held that, *in the context of a contested case*, the APA requires that it is impermissible for the Board to base its factual findings on its expertise, rather than on the evidence of record. The extent to which the Board is so limited in *ex parte* cases (*i.e.*, patentability determinations) was explicitly left to be determined another day. 487 F.3d at 869, App. 12. Furthermore, the Federal Circuit did not circumvent the APA, or engage in "rear-guard action".

The only relevant question regarding standard of review not discussed by the Federal Circuit in this case appears to be whether, when 35 U.S.C. § 6(b) requires that interference proceedings shall be "*heard* by at least three members of the Board" (emphasis supplied) and allows for "*rehearing*" by the Board (emphasis supplied), is the hearing that the Board holds a "hearing provided by statute"[13] which makes an interference proceeding a case subject to 5 U.S.C. § 706(2)(E)? In other words, does the statute have to use the actual word "hearing", or is it sufficient that the statute say that the proceedings shall be "heard"?

The Federal Circuit did not discuss, *in this case*, whether the phrase "heard by at least three members of the Board" of Patent Appeals and Interferences, and the permission for "rehearing" by the Board, invoke a "hearing provided by statute". But it did discuss that question in *Gartside*, 203 F.3d at 1313,[14] on which the Federal Circuit relied, 487 F.3d at 867-68, App. 9-10. The question is not discussed by Miller.[15]

---

[13] At page 10 of the Petition, Miller says that "Nowhere in the relevant statute is the word 'hearing' used. 35 U.S.C. § 135." The relevant statute, however, includes 35 U.S.C. § 6(b), which implies that there must be a hearing.

[14] The Federal Circuit in *Gartside* cited 35 U.S.C. § 7(b) (1994), now slightly amended and re-codified as 35 U.S.C. § 6(b), concluding that the plain language of 35 U.S.C. § 7 (1994) and 35 U.S.C. § 144 indicates that the Federal Circuit reviews Board decisions "on the record of an agency hearing provided by statute," and that the Federal Circuit should therefore review Board factfinding for "substantial evidence."

[15] Miller twice quotes 35 U.S.C. § 6(a) in its Petition, but does not discuss either the requirement in 35 U.S.C. § 6(b) that

(Cont'd)

### C. The Situations that Miller Implies are "Similar", so as to Purportedly Create a Split between Circuits, are not in fact "Similar".

Miller explicitly alleges that there is a circuit split between, on the one hand, circuits following *Ass'n of Data Processing Serv. Orgs., Inc. v. Bd. of Governors of Fed. Reserve Sys.*, 745 F.2d 677, 683 (D.C.Cir.1984) (Scalia, J.), in holding that the standard for review is the same under either the "arbitrary and capricious" standard or the "substantial evidence" standard, and, on the other hand, the Federal Circuit, which holds that the "arbitrary and capricious" standard is more deferential to agency decisions than the "substantial evidence" standard. However, *Data Processing* notes that there is a distinction between the standards on the issue of what evidence may be considered to support an agency judgment: the "substantial evidence" standard requires that evidence be in the record, adding that "[t]he importance of that requirement should not be underestimated." 745 F.2d at 684. Indeed, both the decision below and *Gartside* rely on *Data Processing*, and quote it, on this very issue. *Gartside*, 203 F.3d at 1312-13, 1315; *Brand v. Miller*, 487 F.3d at 868, App. 10.

It is true that the Federal Circuit holds that the "arbitrary and capricious" standard is more deferential. The Federal Circuit, in *Gartside*, 203 F.3d at 1312, cites cases *from this Court* that say that the standards are distinct, *see American Paper Inst., Inc. v. American Elec. Power Serv. Corp.*, 461 U.S. 402, 412-13 n. 7 (1983) (arbitrary

---

(Cont'd)
interferences be "heard" by at least three members of the Board, or the requirement in 35 U.S.C. § 144 that the Federal Circuit shall review PTO decisions "on the record before the Patent and Trademark Office".

and capricious standard is more lenient than substantial evidence standard); *Abbott Laboratories v. Gardner*, 387 U.S. 136, 143 (1967) (appeal on the record with a "substantial evidence" test affords a more generous review than the "arbitrary and capricious" test), but the Federal Circuit is surely not unusual among the Circuits in following this Court. Further, no other Circuit has suggested any disagreement with *Gartside*, and the Seventh Circuit has added its hearty agreement. *See CAE, Inc. v. Clean Air Engineering, Inc.*, 267 F.3d 660, 675 (7th Cir. 2001) ("[W]e agree with the Federal Circuit's resolution of the question left open in *Zurko* as to which prong of § 706(2) applies. When a court's review of an agency's factfinding is circumscribed by the agency record, as the Federal Circuit explained, the substantial evidence standard in § 706(2)(E) applies."); *cf.* Miller's petition at 10 (relying on a 1983 case to suggest that the Seventh Circuit requires the magic word "hearing" to trigger § 706(2)(E)).

The allegedly conflicting decisions are distinguishable on the facts and on the law. The Federal Circuit review of factual findings of the Board is subject to 35 U.S.C. § 6(b) (patentability appeals to the Board and interferences are heard by at least three members of the Board) and 35 U.S.C. § 144 (the Federal Circuit reviews PTO appeals "on the record before the Patent and Trademark Office."). No case cited by Miller, from a circuit other than the Federal Circuit, however, is subject to 35 U.S.C. § 6(b) or 35 U.S.C. § 144.

So this rule can be stated to apply to all decisions cited by Miller: If the case is subject to 35 U.S.C. § 6(b) and 35 U.S.C. § 144, circuit court review of factual findings is under the "substantial evidence" standard.

### D. The Rule Advocated by Miller would Create Chaos in Actions Under 35 U.S.C. §§ 145 and 146.

*Ex parte* appeals to the Board may be reviewed by a district court in an action under 35 U.S.C. § 145, in which evidence that was not before the Board may be presented to the district court. *Inter partes* decisions by the Board in interferences may be reviewed by a district court in an action under 35 U.S.C. § 146, in which discovery unavailable in the Board proceeding may be had, and in which evidence which was not before the Board may be presented to the district court.

In reviewing findings of fact of district courts, the Federal Circuit is governed by FED. R. CIV. P. 52(a), and is thus required to – and does – apply the "clearly erroneous" standard of review. *Heisig v. United States*, 719 F.2d 1153, 1158 (Fed. Cir. 1983).

Under the rule of law urged in the petition, in a Federal Circuit review of a district court in an action under 35 U.S.C. § 145 or 35 U.S.C. § 146, Board proceedings would be reviewed by the Federal Circuit under the "arbitrary and capricious" standard, and thus factfinding by the Board would be given greater deference than the factfinding by the reviewing District Court, which may have been made based on more evidence than was available to the Board (and thus be more reliable).

On appeal of an action under 35 U.S.C. § 145 or under 35 U.S.C. § 146 to the Federal Circuit, the Federal Circuit would be required to give greater deference to facts found by the Board with less evidence, than those found by the reviewing district court with more evidence.

The result would be chaos.

## II. THE FEDERAL CIRCUIT DID NOT VIOLATE *KSR*.

### A. The Petitioners Did Not Mention *KSR* to the Federal Circuit in their Original Brief to the Federal Circuit, in a 28(j) Letter, or in their Petition For Rehearing.

Certiorari was granted in *KSR* on June 26, 2006, but the petitioners did not mention the issues in that case in their brief to the Federal Circuit, filed November 8, 2006. *See* Corrected Brief of Appellees Thomas A. Miller, Darrel C. Pinkston, and Miller Veneers, Inc., *Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007) (No. 2006-1419), 2006 WL 3420460. Neither did they mention the case to the Federal Circuit by a letter under FED. R. APP. P. 28(j) when *KSR* was decided on April 30, 2007, two weeks before the decision here. Nor did they mention the case in their petition for panel rehearing, filed May 29, 2007. *See* Appellees' Petition for Panel Rehearing, *Brand v. Miller*, 487 F.3d 862 (Fed. Cir. 2007) (No. 2006-1419), 2007 WL 1787069.

This Court should not be the first forum in which the issues Miller urges are raised. Supreme Court review is not a second chance to argue a case on appeal. It is more appropriate for the Supreme Court to consider issues in a case where the issues have been raised in at least one court or tribunal below. It is also more efficient to formulate rules relating to obviousness determinations, in a case that actually involves an obviousness determination. This Court should have the benefit of lower court proceedings, rather than facing these issues in the first instance.

### B. "Whether an Invention is Derived from a Communication" is Distinct from "Whether an Invention is Obvious".

*KSR* says that if one is making an obviousness determination, and there is nothing in the prior art that teaches, suggests or motivates a combination of references to make the invention, factfinders should not be bound up by a rigid rule requiring a teaching, suggestion or motivation to make the combination, but that they can and should use their common sense to see if the combination would be obvious. 127 S. Ct. at 1739, 1742.[16]

The Federal Circuit was not reviewing an obviousness determination in this case[17]; it was determining whether

---

[16] At page 14 of the Petition, Miller implies that the factual determination by the Board in this case is no different than an "Article III trial judge applying his or her 'common sense' to decide whether one or more references makes [sic] a claim obvious." There are, of course, significant differences. This case is an appeal from a proceeding in the Patent and Trademark Office, which is subject to the APA. Article III trial courts are governed by the Federal Rules of Civil Procedure, not the APA. This case involved the Board basing factual findings on its own assumed expertise in the field of the invention, instead of on the unrebutted record evidence, making a faulty factual determination as a result, and reaching a faulty legal conclusion as to *priority* under 35 U.S.C. §§ 102(g) and 135 by substituting the Board's assumed expertise for the record evidence. Article III trial courts are reaching legal conclusions as to *obviousness* under 35 U.S.C. § 103.

[17] At page 3 of the Petition, Miller says that "The APJs correctly held that two documents . . . made claim 38 of the Brand '120 application obvious . . . ." Miller's statement is incorrect on two counts. First, the decision by the Board (App. 20-97) was not a legal determination of what was or was not obvious (under 35 U.S.C.

(Cont'd)

the evidence supported the Board's conclusion that Miller communicated the invention to Brand.[18] The Federal Circuit did not say, in this case, "Don't use your common sense" to fill in formal gaps in the evidence;[19] it said if there is relevant

(Cont'd)
§ 103), but rather a factual determination of whether Miller's communication was sufficient to enable one of ordinary skill in the art to practice the invention, followed by a legal determination of priority of invention under 35 U.S.C. §§ 102(g) and 135. (At page 5 of the Petition, Miller also incorrectly says that "[t]he Board held that one of the documents alone made claim 38 . . . obvious." The Board did not make any determinations as to obviousness.) Second, the Board's initial determination to which Miller refers (and the holdings referenced elsewhere in the Petition as "correct", *see e.g.* pages 5 and 15 of the Petition), were incorrect. The May 14, 2007, decision of the Federal Circuit (487 F.3d 862, App. 1-17) and the July 11, 2007, judgment of the Board on remand (Opp. App. 1a-3a) govern further proceedings until vacated or reversed. 35 U.S.C. § 144. It is therefore error to say that the reversed and superseded August 25, 2005, decision was "correct".

[18] At page 11 of the Petition, Miller says that "Apparently, the Federal Circuit believes that *KSR* does not apply to APJs . . . ." There is no basis for such a conclusion. This case is not about obviousness, but about priority of invention and alleged derivation from particular communications. (The word "obvious" does not even appear in the Federal Circuit opinion here.) This case does not exempt APJs from any holding in *KSR*. Furthermore, *KSR* was decided two weeks before the Federal Circuit decision in *Brand v. Miller*, and *certiorari* was granted in *KSR* more than four months before Miller filed his brief in the Federal Circuit. If Miller thought that *KSR* was relevant to the decision to be made by the Federal Circuit in *Brand v. Miller*, Miller could have and should have brought *KSR* to the attention of the Federal Circuit, and explained its relevance. FED. R. APP. P. 28(j). Miller did not do so.

[19] At page 13, note 10, of the Petition, Miller misleadingly says that "If district courts are required to use their common sense in a
(Cont'd)

evidence of record, factfinding by the Board in contested cases must be based on the evidence, rather than the expertise the APJs.[20] 487 F.3d at 869, App. 12.[21]

---

(Cont'd)
contested case to decide whether a patent claim is obvious, APJs should also be allowed to use their common sense in a contested case to do the same thing." This case is does not involve APJs using (or not using) their common sense to decide whether a patent claim is obvious. It involves APJs substituting their own expertise for record evidence to make a faulty factual determination regarding communication, and reaching a faulty legal conclusion regarding derivation based on the faulty factual determination.

[20] At page 13 of the Petition, Miller says the Federal Circuit attempted to distinguish *KSR*. Miller did not refer to *KSR* in any paper filed in the Federal Circuit, and this case is not about obviousness. There was no reason for the Federal Circuit to consider *KSR* in deciding the present case.

[21] At pages 12-13 of the Petition, Miller says that "the Federal Circuit held that, when the APJs are acting as factfinders in an interference, they may not use their common sense to decide whether a single reference or multiple references make a patent claim obvious." The Federal Circuit held no such thing. This case is not concerned with single or multiple references, but rather sketches; and is not concerned with a legal conclusion of obviousness, but rather the process by which the Board made a factual determination of whether the sketches were an enabling disclosure of the invention. At pages 14 and 15 of the Petition, Miller says the APJs were only applying their own common sense, not relying on their own assumed expertise. On the contrary, they were elevating their judgment over the evidence of record. If they did so without thinking that they had the expertise to do so, their action is even more objectionable.

Moreover, the Federal Circuit did not hold that APJs in an interference may not use their common sense; but rather that *if there is relevant record evidence*, it is impermissible for the Board
(Cont'd)

At page 4 of the petition, Miller says that "The Federal Circuit went on to establish [a] rigid rule . . . ." and "*KSR* explicitly rejected rigid rules such as the one the Federal Circuit applied here . . . ." These are both incorrect. This Court in *KSR* rejected "the rigid approach of the Court of Appeals" in the *KSR* case, 127 S. Ct. at 1739, and "[r]igid preventative rules that deny factfinders recourse to common sense", in the context of an obviousness determination, and when there was no evidence presented on the point in issue, 127 S. Ct. at 1742. The Federal Circuit in this case merely determined what the APA required, and told the Board, in the context of a priority determination in which evidence was presented on the point in issue, to make factual determinations based on the evidence, rather than to substitute its own assumed expertise.[22]

At page 4 of the petition, Miller says that the Federal Circuit ignored *KSR*. This is incorrect. The Federal Circuit has applied *KSR* in appropriate cases. *See, e.g., Leapfrog Enterprises Inc. v. Fisher-Price Inc.*, 485 F.3d 1157, 1161, 1163 (Fed. Cir. 2007) ("An obviousness determination is not the result of a rigid formula disassociated from the facts of

---

(Cont'd)

to base factual findings on its own expertise instead of the record evidence. 487 F.3d 862 at 864, 869; App. 2, 12. *KSR* dealt with a situation where, apparently, *there was no relevant record evidence* (in the *KSR* case, a "teaching, suggestion or motivation" to combine references in determining whether an invention would have been obvious), in which case triers of fact are instructed to use their common sense to fill in the gaps.

[22] At page 15 of the Petition, Miller says the APJs used the exact method that the Court approved in *KSR*. That is not the case. The APJs disregarded the evidence of record. They made no obviousness determination.

a case. Indeed, the common sense of those skilled in the art demonstrates why some combinations would have been obvious where others would not.", citing *KSR*; district court judgment of obviousness affirmed); *Takeda Chemical Industries Ltd. v. Alphapharm Pty. Ltd.*, 492 F.3d 1350, 1355, 1356-57 (Fed. Cir. 2007); *PharmaStem Therapeutics Inc. v. ViaCell Inc.*, 491 F.3d 1342, 1360, 1364, 1367 (Fed. Cir. 2007) ("a combination of elements 'must do more than yield a predictable result' ", citing *KSR*; "Granting patent protection . . . without real innovation retards progress . . . .", citing *KSR*; district court judgment of nonobviousness reversed); *In re Metoprolol Succinate Patent Litigation*, 494 F.3d 1011, 1017 n. 2, 1020 (Fed. Cir. 2007) (omission of known elements from composition found to be "the product not of innovation but of ordinary skill and common sense.", citing *KSR*; district court's invalidity holding affirmed); *In re ICON Health and Fitness Inc.*, __ F.3d __, __, 83 USPQ2d 1746, 1751, 1752 (Fed. Cir. 2007) ("combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.", citing *KSR*; Board decision holding claims obvious on reexamination affirmed); *In re Trans Texas Holdings Corp.*, __ F.3d __, __, 83 USPQ2d 1835, 1843 (Fed. Cir. 2007) (same).[23]

---

[23] The Board has also applied *KSR* in affirming the rejections of patent applications. *See Ex parte Kubin*, 83 USPQ2d 1410 (Bd. Pat. App. & Int. 2007); *Ex parte Smith*, 83 USPQ2d 1509 (Bd. Pat. App. & Int. 2007); and *Ex parte Catan*, 83 USPQ2d 1569 (Bd. Pat. App. & Int. 2007). The PTO has also issued guidelines for determining obviousness in view of *KSR*. *See* Department of Commerce, Patent and Trademark Office, "Examination Guidelines for Determining Obviousness Under 35 U.S.C. 103 in View of the Supreme Court Decision in *KSR International Co. v. Teleflex Inc.*", 72 F.R. 57526 (October 10, 2007).

The Federal Circuit did not address *KSR* in this case because Miller did not ask it to do so, and because obviousness was not an issue in this case.

At page 4 of the petition, Miller says that the Federal Circuit created a new rigid rule that creates a different standard for APJs than patent examiners and district courts. (Miller also alleges a different standard at page 15.) The Federal Circuit has not created a new rigid rule;[24] it has merely stated that APJs should not let their own beliefs override the evidence in contested cases (in effect interjecting themselves as expert witnesses in the case, and moreover as expert witnesses who were not subject to cross-examination). The Federal Circuit has not "created a . . . rule that creates a different standard for APJs". APJs making obviousness determinations can still use their common sense to fill in gaps in the evidence presented. Patent examiners and district courts finding facts in contested cases in which evidence is presented should still not substitute their own assumed expertise for the evidence of record.

The Federal Circuit did not violate *KSR*.

---

[24] At page 13 of the Petition, Miller says that "[T]he Federal Circuit has done exactly what the Court forbade in *KSR*. It has made a *rigid prevent[at]ive rule* that, 'in the context of a contested case, it is impermissible for the Board to base its factual findings on its expertise, rather than the evidence of record.' " The Federal Circuit has *not* done what the Court forbade in *KSR* (or anywhere else). The Federal Circuit determined that Congress, in the APA, determined that in a case such as a contested case in the PTO, in which there is relevant evidence of record, it is impermissible for the Board to base its factual findings on its own expertise, rather than the evidence of record.

### C. The Rule Advocated by Miller would Create Chaos in Board Proceedings.

Miller urges that APJs should be encouraged to "use their common sense", even to the extent of elevating their "common sense" over unrebutted evidence presented in a case, regardless of whether the issue is obviousness or communication sufficient to enable. *KSR* did not advocate doing that, but rather, if no evidence is presented as to the "teaching, suggestion or motivation to combine" non-anticipatory references, then factfinders can apply their common sense to decide whether it would have been obvious to combine the references.

At pages 15-16 of the petition, Miller says that in future interferences, APJs will not be able to use their common sense in obviousness determinations. That is not the case. APJs following *Brand v. Miller* will merely not be able to base factual determinations on their own supposed expertise, rather than unrebutted evidence of record. They will, however, be guided by *KSR* and the recently published PTO "Examination Guidelines . . . in View of . . . *KSR* . . . .", 72 FR 57526. In accordance with *KSR*, the Guidelines explain that there is no requirement that patent examiners use the "teaching, suggestion, or motivation" ("TSM") approach in order to make a proper obviousness rejection; and that even if the TSM approach cannot be applied to a claimed invention, that invention may still be found obvious. The Guidelines identify rationales suggested by the Supreme Court in *KSR*. For each rationale, the Guidelines explain the underlying factual findings, and provide guidance about how to reason from the facts to the legal conclusion of obviousness.

Miller is confusing obviousness (governed by 35 U.S.C. § 103) with communication sufficient to enable, so as to support conclusions of derivation and priority (governed by 35 U.S.C. §§ 102(g) and 135). Miller is also confusing using common sense as directed in *KSR* with using alleged "common sense" to override unrebutted evidence presented in a case.

If APJs are encouraged to "use their common sense" to override unrebutted evidence presented in a case, interferences and patentability appeals would be contests to see who could present the most appealing attorney argument, rather than who has the evidence to support their position. Attorneys have produced no evidence to support their case, or who know that the evidence of record does not support their case, would argue on anyway that the Board should "use their common sense", to render judgments contrary to the evidence. Parties who know they cannot win based on the evidence would refuse to concede priority.

The result would be chaos.

## CONCLUSION

The Court should deny the petition.

Respectfully submitted,

RAYMOND W. GREEN
BRINKS HOFER GILSON & LIONE
NBC Tower – Suite 3600
455 N. Cityfront Plaza Drive
Chicago, IL 60611
(312) 321-4200

*Counsel for Respondents*